

**FL&BH6.3**

## **LAND AT NEWGATE LANE (NORTH) AND LAND AT NEWGATE LANE (SOUTH), FAREHAM**

# **SUMMARY PROOF OF EVIDENCE ON HOUSING NEED AND SUPPLY MATTERS**

**ON BEHALF OF FAREHAM LAND LP AND BARGATE HOMES LTD**

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## E. EXECUTIVE SUMMARY

E.1 The attached Proof of Evidence considers a number of issues relevant to housing need and supply in Fareham Borough as briefly summarised below. This updates and supersedes the previous Appendix to the Statement of Case to reflect the more recently published Five Year Land Supply Position Statements of the Council which were presented to planning committee on 24<sup>th</sup> June 2020.

### Housing Delivery Test

E.2 The currently published Housing Delivery Test results indicate that Fareham Borough does not have a record of significant or substantial under-delivery. Accordingly, it is appropriate to apply a 5% buffer. However, these results appear to have been miscalculated for Fareham Borough. Had these results been calculated on the basis that the adopted housing requirement is more than five-years old in accordance with the Council's position to numerous appeals and as set out in the Council's previous five year land supply assessments, then the Council would currently be subject to a 20% buffer. It is hoped that MHCLG will clarify the position prior to the inquiry, and so I present the position using both a 5% and 20% buffer. However, in the absence of this necessary clarification it is agreed that it is appropriate to apply a 5% buffer.

E.3 Sufficient information is also now available to accurately estimate the Housing Delivery Test results that are due in November 2020. Regardless of whether the adopted housing requirement was more than five-years old, the Council will have a result of less than 75% following the publication of these results, such that there will be a record of substantial under-delivery and the 'tilted balance' will be automatically engaged through Footnote 7 of the NPPF regardless of the five-year land supply position.

E.4 Furthermore, it will also be necessary to apply a 20% buffer, such that the five-year land supply position of the Council will be reduced from that set out by the Council.

### Five-year land supply

E.5 In the Statement of Common Ground, it is agreed that Fareham Borough Council is unable to demonstrate a five-year land supply. The extent and period over which a shortfall in the five-year land supply persists may also be material to the weight afforded to policies and to the provision of housing.

- E.6 Officers of Fareham Borough Council considered that the Council is able to demonstrate a 2.72 year land supply in their Five Year Land Supply Position Statement presented to planning committee on 24<sup>th</sup> June 2020. However, shortly before the planning committee sat, an Update Report was published which identified a 4.03 year land supply and this position was endorsed by the committee. This is the position that the Council adopt for the purposes of these appeals as set out in the Statement of Common Ground.
- E.7 The attached Proof of Evidence demonstrates that with a 5% buffer there is actually a five-year requirement for 2,697 homes rather than for 2,699 as identified by the Council. It also identifies that if it becomes necessary to apply a 20% buffer, there will be a five-year requirement for 3,082 homes.
- E.8 I also consider the deliverable supply in accordance with the NPPF, the PPG, and the findings of S78 Inspectors and the Secretary of State across England and conclude that there is a deliverable supply of only 599 homes as compared to the supply of 2,177 homes identified by the Council.
- E.9 Based on the available evidence, the Council is therefore currently only able to demonstrate a **1.11 year land supply with a 5% buffer** with a shortfall of 2,098 homes or a 0.97 year land supply with a 20% buffer with a shortfall of 2,483 homes.

#### Other material considerations

- E.10 MHCLG publish statistics which indicate that the appropriate measure of the affordability of housing in Fareham Borough is that house prices are currently 9.09 times the income of households. The standard method for assessing the minimum local housing need assumes that where the house price is 4 times the income of households no affordability uplift is required. In Fareham Borough, the ratio is therefore 2.3 times worse than this 'acceptable' level.
- E.11 This indicates a particular need to boost supply, as provided for through the standard method, to address the barriers to accessing the market in Fareham Borough.
- E.12 In an unaffordable and inaccessible housing market, many households fall into affordable housing need. The Housing Evidence: Overview Report of the Council identifies a need for 302 affordable homes per annum from 2011 onwards in Fareham Borough.

- E.13 In the period 2011-19, only 610 affordable housing completions have been achieved at an average of 76 per annum which equates to a backlog of 1,806 affordable homes over these 8 years. The Council has identified that there are now approximately 3,000 households in need of affordable housing and a need to deliver 3,500 affordable homes by 2036.
- E.14 This requires the delivery of circa 220 affordable homes per annum which is roughly three times that which has been achieved in recent years.
- E.15 It is therefore apparent that not only is there a need to boost the supply of market housing to improve affordability in Fareham Borough, there is a very significant need to boost the supply of affordable housing both to address the shortfall which has accrued over the previous 8 years but also to meet newly arising need.
- E.16 Furthermore, there is a particular need for urgent affordable housing in Fareham South where the appeal sites are located.